

## Governor Heineman Calls for Tax Cuts in State of the State Speech

(KTNC) -- Nebraska Governor Dave Heineman called on the Unicameral to cut taxes during his State of the State Address Wednesday morning.

Heineman called high taxes the biggest and most important issue facing the state of Nebraska and told lawmakers they need to lower taxes.

Heineman insists that 370-to-500 million dollars can be freed up to cut taxes by lowering the cash reserve and keeping spending in check the next three years. He said legislators should approve a combination of property and income tax cuts.

In addition to urging tax cuts, Governor Heineman restated his opposition to expanding Medicaid under the federal health care law. He says expansion would be too costly and relies on the promise of a federal government deeply in debt.

A filibuster derailed a Medicaid expansion last session. Supporters have crafted new legislation they hope can overcome that hurdle this year.

The governor also called on state lawmakers to change the rules of incarceration for the state's prisoners. He said he's taken executive action to allow corrections officials to withdraw good time for those violating prison rules. He called for cooperation to tackle prison overcrowding.

The Department of Correctional Services has begun a study of prison reform, which is expected to be complete by this summer.

Nebraska Radio Network